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CHARACTERISTICS OF FOOD STAMP HOUSEHOLDS: FISCAL YEAR 1997 (Advance Report)

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The FSP is the nation's largest food assistance program. In fiscal year 1997, it served an average of 22.9 million people per month. Almost \$19.6 billion was paid out in food stamps that year.

Food stamps are made available to virtually all low-income households with few resources to supplement their food purchases and help them maintain a healthy diet. In fiscal year 1997, food stamps were approximately one-fourth of a participating household's total monthly income (cash plus food stamps). If the value of food stamps was counted in addition to cash as gross income, over one-fifth of food stamp households would move from below to above half the poverty line (Figure 1).

In fiscal year 1997, slightly over half of all food stamp participants were children, most of whom lived in single-parent households (Figure 2). The remaining participants were nonelderly adults (40.6 percent) or elderly adults--age 60 or older--(7.9 percent).

I. Composition of Food Stamp Households

In fiscal year 1997, the majority (58.3 percent) of food stamp households contained children (Table 1). Of these households, over two-thirds (69.1 percent) were single-parent homes, approximately one-quarter (24.7 percent) were multiple-adult homes, and the remaining households contained no members over the age of 17. Households with

children received an average monthly food stamp benefit of \$234, reflecting their relatively large average size (3.4 persons). Single-parent homes (3.1 persons on average) received an average of \$228 in food stamps, and multiple-adult homes with children (4.5 persons on average) received an average of \$268.

Households containing elderly persons represented 17.6 percent of all food stamp households. Slightly over three-quarters of them were single-person households, which received an average monthly benefit of \$47. Households containing elderly and other persons received an average benefit of \$118. A substantial proportion of food stamp households contained disabled persons (22.3 percent); these households received an average benefit of \$104.

II. Characteristics of Food Stamp Participants

Among adult participants (age 18 or older), women outnumbered men by over two to one (Table 2). Of the children participating, 34.1 percent were of preschool age (0 to 4 years), and 65.9 percent were of school age (5 to 17 years).

The largest proportion of food stamp participants were white, non-Hispanic (40.3 percent); about one-third were African-American, non-Hispanic (34.9 percent); and approximately one-fifth were Hispanic (19.2 percent). The remaining participants were Asian, Native American, or of another race or ethnicity (Table 3).

FIGURE 1

**POVERTY STATUS OF FOOD STAMP HOUSEHOLDS
WITH AND WITHOUT FOOD STAMPS, 1997**

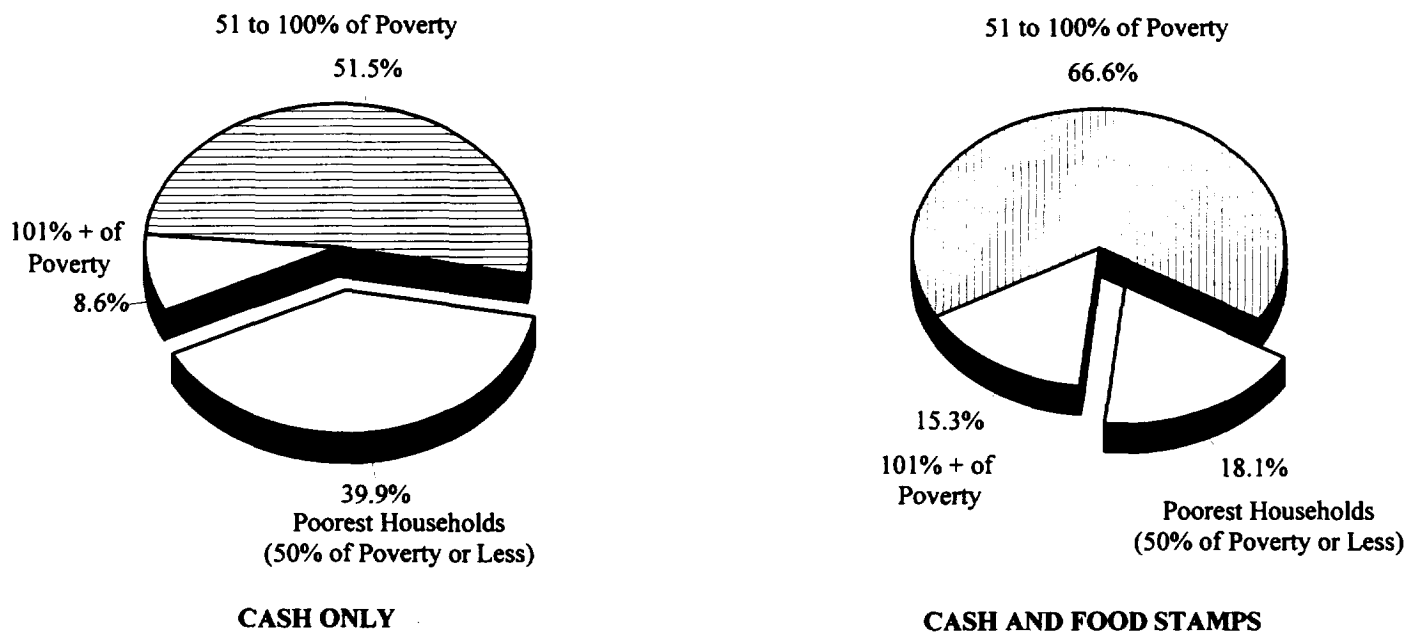
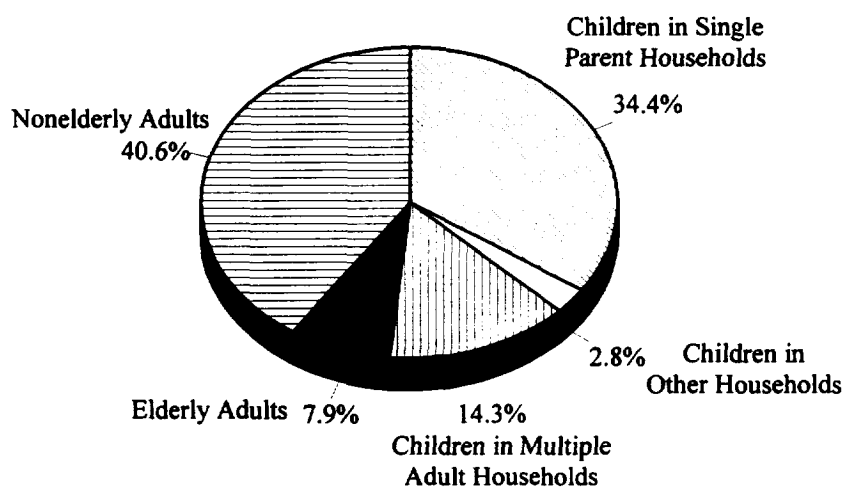


FIGURE 2

DISTRIBUTION OF FOOD STAMP PARTICIPANTS, 1997



Source: 1997 Food Stamp Quality Control sample.

III. Benefits and Income of Food Stamp Households

The average monthly food stamp benefit in fiscal year 1997 was \$169. The majority (68.6 percent) of food stamp households received monthly benefits of over \$100, and 36.4 percent received over \$200 (Table 4). In fiscal year 1997, 80.7 percent of all benefits went to households with children, and 6.6 percent of all benefits went to households with elderly members (not shown).

The average monthly gross income of food stamp households was \$558 (Table 5). The majority of households (78.4 percent) received unearned income from one or more of the following sources: Aid to Families with Dependent Children/Temporary Assistance to Needy Families (AFDC/TANF), General Assistance (GA), Social Security, Supplemental Security Income (SSI), Unemployment Compensation, or some other payment such as veterans benefits or educational loans. Slightly less than one-fourth of all households (24.2 percent) received earned income. Almost a tenth (9.2 percent) received zero gross income.

IV. Characteristics of Food Stamp Households by State

In fiscal year 1997, over half of all food stamp households were located in eight states: California, Florida, Illinois, Michigan, New York, Ohio, Pennsylvania, and Texas (Table 6). The average monthly food stamp benefit varied by state, reflecting differences in income, expenses, household size, and composition. Average monthly benefits were largest in Alaska, Hawaii, Guam, and the Virgin Islands because the maximum allotment is set higher in those areas to accommodate higher costs of living. Within the contiguous United States, food stamp benefits were highest (greater than \$200) in Arizona and Texas--states with above-average household size. Conversely, average monthly food stamp benefits were lowest (less than \$140) in Connecticut,

Minnesota, New Hampshire, Ohio, and Vermont--states with typically above-average gross household income and below-average household size.

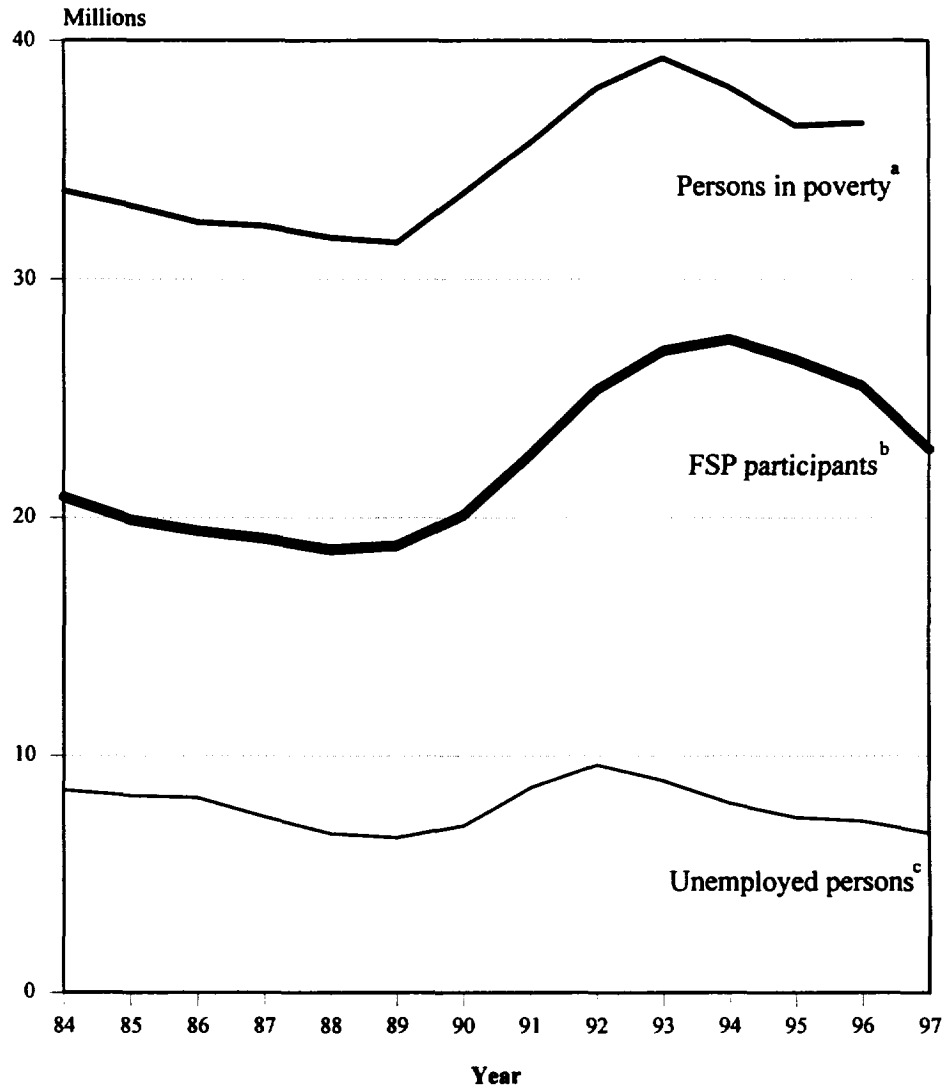
V. Change in Participation Over Time

The number of persons participating in the FSP grew substantially between 1989 and 1994 and has declined steadily since 1994 (Figure 3). Specifically, the number of food stamp participants grew from 18.9 million persons in 1989 to a record high of 28.0 million in March 1994 and has decreased to 22.1 million in June 1997. The change in the number of Food Stamp Program participants is associated with changes in the economy, as indicated by the number of unemployed persons and the number of persons living in poverty. For example, Figure 3 shows that the surge in FSP participation between 1989 and 1994 was associated with a worsening economy, and the drop in participation since 1994 has been associated with an improving economy.

The changes in program participation have been accompanied by changes in the composition of the caseload (Table 7). Although households with children remain a large proportion of the caseload, that proportion has dropped from a high of 62.2 percent in 1992 to 58.3 percent in 1997. On the other hand, the proportion of households with elderly has risen from a low of 15.4 percent in 1992 to 17.6 percent in 1997. However, the most substantial change in caseload composition has been the dramatic rise in the proportion of participating households with disabled persons, rising from a low of 8.9 percent in 1990 to 12.5 percent in 1994, and from 18.9 percent in 1995 to 22.3 percent in 1997.¹

Changes Under PRWORA. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) took effect in FY 1997. This legislation, enacted August 22, 1996, made the following significant modifications to the FSP:²

FIGURE 3
FOOD STAMP PROGRAM PARTICIPANTS,
UNEMPLOYED PERSONS, AND POOR PERSONS



^aAnnual values. The number of persons in poverty in Fiscal Year 1997 was not available when this report went to print. Source: Bureau of the Census, Poverty in the United States: 1996, Series P60-198.

^bAverage monthly values. Source: Food and Nutrition Service, Fiscal Years 1984-1997 FSP Participation and Issuance.

^cAverage monthly values. Source: Economic Report of the President, 1998 Table B-36.

- Most legal permanent resident aliens are disqualified from the FSP.³
- Most able-bodied, nonworking, childless adults are limited to 3 months of FSP benefits in any 36-month period.
- The maximum food stamp benefit is reduced from 103 percent to 100 percent of the Thrifty Food Plan.
- The standard deduction is frozen indefinitely at fiscal year 1996 levels.
- New shelter deduction caps are established for fiscal years 1997 through 2001, with the cap frozen at fiscal year 2001 levels thereafter.

The fiscal year 1997 data provide the first picture of food stamp participants since PRWORA's implementation. The data show that the percentage of permanent resident aliens participating in the FSP fell from 5.6 percent in fiscal year 1996 to 4.4 percent in fiscal year 1997. In addition, the percentage of able-bodied, nonworking, childless adults participating in the FSP fell from 3.6 percent in fiscal year 1996 to 2.9 percent in fiscal year 1997. PRWORA is likely a contributing factor behind the continued overall decline in the FSP caseload and costs since 1996. However, the extent to which these trends are caused by PRWORA rather than other factors such as the economy is difficult to determine. Furthermore, PRWORA was implemented in stages throughout fiscal year 1997, and the average annual estimates provided here include data from before major components of PRWORA were in effect.

VI. Description of the Food Stamp Program

The FSP is unique among income maintenance programs in two important ways. First, it offers assistance to nearly all financially needy

households, regardless of almost any nonfinancial categorical criteria. Second, instead of cash, it provides benefits in the form of coupons or electronic benefits which can be redeemed for food in any of about 200,000 authorized stores across the nation. The cost of providing food stamps to needy persons is funded fully by the federal government. Administrative costs are shared by federal, state, and local governments.

Eligibility. To be eligible for food stamps, a household's assets, gross income, and net income, which is based on gross income less deductions permitted under the FSP, must not exceed specified levels that vary by household size, composition, and location. Most permanent resident aliens are ineligible to join the FSP, and most able-bodied, nonworking, childless adults are limited to 3 months of FSP benefits in any 36-month period.

Food Stamp Benefit Computation and Issuance. Benefits are computed by subtracting 30 percent of a household's net income from the maximum benefit amount, which is based on 100 percent of the June cost of the Thrifty Food Plan (TFP) for a family of four, adjusted for household size and location. The TFP is based on the cost of a market basket of food that provides an economical and nutritious diet. In fiscal year 1997, the maximum benefit for a family of four in the contiguous United States was \$400 per month. Program participants receive their monthly benefits through the mail, directly from the local office, or through an electronic benefit transfer (which is similar to a bank card).

VII. Data

The estimates presented here are based on data extracted from the Integrated Quality Control System, which is an ongoing review of food stamp households designed to measure the accuracy with which eligibility and benefit determinations are

made. All estimates are based on a full-year sample of 48,854 households.

Food and Nutrition Service administrative records indicate that the FSP served 22.9 million persons in fiscal year 1997, and food stamp households received an average benefit of \$173 per month. The figures in the attached tables of 23.1 million participants with an average household benefit of \$169 vary from the administrative figures because they are estimates from the Food Stamp Quality Control sample, which weights data by households rather than persons or benefits. Administrative figures are based on a monthly census of actual FSP participation and benefit issuance.

Notes

¹The 1994-to-1995 increase in the proportion of households with disabled persons is due in part to a change in the definition of households with disabled persons. However, using the old definition, the proportion with disabled still increases from 12.5 percent to 13.3 percent.

²A summary of the PRWORA provisions that affect the FSP is available from the FNS World Wide Web site (<http://www.usda.gov/fcs/fcs.htm>).

³ The Agricultural Research Bill, enacted on June 23, 1998, restored eligibility to a substantial number of legal immigrants who lost eligibility under PRWORA. Specifically, child, elderly, and disabled permanent resident aliens will be able to begin receiving federal food stamp benefits on November 1, 1998.

Table 1 -- Selected Characteristics of Participating Food Stamp Households, 1997

Household type	Participating households		Average monthly values (dollars)			Average household size (persons)
	Number (thousands)	Percent	Food stamp benefit	Gross income	Net income	
Total	9,452	100.0	169	558	299	2.4
Children	5,508	58.3	234	648	364	3.4
Single-parent households	3,806	40.3	228	576	302	3.1
Multiple-adult households	1,360	14.4	268	917	590	4.5
Other	342	3.6	169	378	162	2.0
Elderly	1,667	17.6	63	577	319	1.3
Living alone	1,292	13.7	47	521	266	1.0
Not living alone	375	4.0	118	767	503	2.5
Disabled	2,108	22.3	104	687	418	2.1
Living alone	1,110	11.7	52	525	244	1.0
Not living alone	998	10.6	162	868	612	3.4
Other	1,307	13.8	118	185	52	1.1
Single-person	1,168	12.4	110	159	38	1.0
Multiple-person	139	1.5	185	407	170	2.2

Source: 1997 Food Stamp Quality Control sample.

Table 2 -- Gender and Age of Food Stamp Participants, 1997

Age	All participants		Female		Male	
	Number (thousands)	Percent	Number (thousands)	Percent	Number (thousands)	Percent
Total	23,117	100.0	13,880	100.0	9,233	100.0
Children (0-17)	11,871	51.4	5,950	42.9	5,918	64.1
0-4	4,046	17.5	2,017	14.5	2,026	21.9
5-17	7,825	33.8	3,933	28.3	3,892	42.2
Adults (18 or more)	11,219	48.5	7,916	57.0	3,302	35.8
18-35	5,332	23.1	4,007	28.9	1,324	14.3
36-59	4,053	17.5	2,582	18.6	1,472	15.9
60 or more	1,834	7.9	1,328	9.6	506	5.5
Unknown	27	0.1	14	0.1	13	0.1

Source: 1997 Food Stamp Quality Control sample.

Table 3 -- Race/Ethnicity of Food Stamp Participants, 1997

Race	Participants	
	Number (thousands)	Percent
Total	23,117	100.0
White, Non-Hispanic	9,323	40.3
African-American, Non-Hispanic	8,072	34.9
Hispanic	4,441	19.2
Asian	705	3.0
Native American	313	1.4
Other	263	1.1

Source: 1997 Food Stamp Quality Control sample.

Table 4 – Monthly Food Stamp Benefits of Participating Food Stamp Households, 1997

Monthly food stamp benefit	Participating households	
	Number (thousands)	Percent
Total	9,452	100.0
\$0-50	1,726	18.3
\$51-100	1,236	13.1
\$101-150	2,085	22.1
\$151-200	969	10.3
\$201-250	1,258	13.3
\$251-300	660	7.0
\$301 +	1,519	16.1

Source: 1997 Food Stamp Quality Control sample.

Table 5 – Selected Economic Characteristics of Participating Food Stamp Households, 1997

Income source	Participating households		Persons in households with source		Average income (dollars)		Average food stamp benefit (dollars)	Average household size (persons)
	Number (thousands)	Percent	Number (thousands)	Percent	Gross	From source		
Total	9,452	100.0	23,117	100.0	558	(n/a)	169	2.4
Earned income	2,284	24.2	7,533	32.6	879	708	187	3.3
Wages and salaries	2,139	22.6	7,105	30.7	898	728	185	3.3
Self-employment	137	1.5	424	1.8	620	324	225	3.1
Other earned income	35	0.4	106	0.5	817	421	178	3.0
Unearned income	7,415	78.4	18,036	78.0	580	492	163	2.4
AFDC/TANF	3,270	34.6	10,649	46.1	569	372	240	3.3
General Assistance	588	6.2	899	3.9	411	252	123	1.5
Supplemental Security Income	2,504	26.5	4,782	20.7	642	372	93	1.9
Social Security	1,999	21.1	3,377	14.6	647	483	77	1.7
Unemployment	156	1.7	509	2.2	755	491	190	3.3
Other unearned income	1,476	15.6	4,128	17.9	666	211	176	2.8
No income	868	9.2	1,408	6.1	0	0	180	1.6

Source: 1997 Food Stamp Quality Control sample.

Table 6 -- Selected Characteristics of Participating Food Stamp Households by State, 1997

State	Total (thousands)	Percent of all households	Average monthly amount					Average house- hold size (persons)
			Food stamp benefit (dollars)	Gross income (dollars)	Net income (dollars)	Total deduction (dollars)	Countable assets (dollars)	
Total	9,452	100.0	169	558	299	291	92	2.4
Alabama	186	2.0	174	553	302	292	78	2.5
Alaska	15	0.2	273	928	607	382	117	3.1
Arizona	133	1.4	203	569	305	294	76	2.9
Arkansas	105	1.1	159	568	339	263	163	2.5
California	1,045	11.1	187	594	333	296	122	2.8
Colorado	91	1.0	169	563	277	319	48	2.4
Connecticut	94	1.0	139	596	335	278	135	2.2
Delaware	20	0.2	175	577	305	309	105	2.6
Dist. of Col.	40	0.4	186	390	201	227	16	2.3
Florida	514	5.4	168	549	276	306	139	2.4
Georgia	284	3.0	177	535	279	298	80	2.5
Guam	6	0.1	408	567	251	396	118	3.3
Hawaii	57	0.6	291	629	355	308	169	2.3
Idaho	27	0.3	175	622	338	322	175	2.7
Illinois	434	4.6	173	476	252	260	61	2.4
Indiana	140	1.5	167	572	308	294	123	2.5
Iowa	67	0.7	148	625	360	290	85	2.4
Kansas	64	0.7	156	586	323	290	125	2.4
Kentucky	174	1.8	165	551	341	243	109	2.6
Louisiana	220	2.3	185	526	282	277	75	2.6
Maine	58	0.6	149	597	269	356	109	2.1
Maryland	152	1.6	184	445	220	264	24	2.4
Massachusetts	149	1.6	148	635	333	318	95	2.3
Michigan	366	3.9	161	579	283	330	57	2.3
Minnesota	110	1.2	139	573	331	270	159	2.2
Mississippi	155	1.6	160	550	332	247	161	2.5
Missouri	199	2.1	161	542	312	264	115	2.4
Montana	27	0.3	171	600	302	325	236	2.5
Nebraska	41	0.4	150	630	361	290	238	2.4
Nevada	38	0.4	165	520	257	305	67	2.3
New Hampshire	21	0.2	116	596	394	239	173	2.2
New Jersey	212	2.2	176	512	224	316	42	2.3
New Mexico	75	0.8	179	571	348	252	107	2.7
New York	899	9.5	150	603	283	346	24	2.2
North Carolina	250	2.6	156	513	289	256	85	2.3
North Dakota	16	0.2	156	637	364	304	351	2.5
Ohio	389	4.1	137	556	325	253	78	2.2
Oklahoma	131	1.4	168	534	299	277	79	2.5
Oregon	121	1.3	141	516	289	276	249	2.1
Pennsylvania	440	4.7	161	531	265	302	93	2.3
Rhode Island	37	0.4	158	562	304	279	95	2.3
South Carolina	140	1.5	160	550	346	234	104	2.5
South Dakota	18	0.2	185	552	288	313	206	2.6
Tennessee	253	2.7	154	564	312	285	135	2.3
Texas	751	7.9	201	535	296	278	52	2.8
Utah	38	0.4	167	661	375	312	185	2.7
Vermont	25	0.3	125	598	339	286	164	2.1
Virgin Islands	6	0.1	322	490	292	223	93	3.2
Virginia	206	2.2	156	548	309	268	122	2.3
Washington	198	2.1	157	547	272	306	56	2.2
West Virginia	117	1.2	168	509	280	269	90	2.4
Wisconsin	87	0.9	151	689	427	287	148	2.7
Wyoming	11	0.1	174	583	314	313	180	2.6

Source: 1997 Food Stamp Quality Control sample.

**Table 7 -- Selected Characteristics of Food Stamp Households Over Time
Fiscal Year 1989-Fiscal Year 1995**

Fiscal Year	Total		Children		Elderly		Disabled
	Participants (thousands)	Households (thousands)	Children (percent of all participants)	Households with children (percent of all)	Elderly (percent of all participants)	Households with elderly (percent of all)	Households with disabled (percent of all)
1997	23,117	9,452	51.4	58.3	7.9	17.6	22.3
1996	25,926	10,552	51.0	59.5	7.3	16.2	20.2
1995	26,955	10,883	51.5	59.7	7.1	16.0	18.9 ^c
1994	28,009	11,091	51.4	61.1	7.0	15.8	12.5
1993	27,595	10,791	51.5	62.1	6.8	15.5	10.7
1992 ^b	25,743	10,049	51.9	62.2	6.6	15.4	9.5
1991 ^b	22,963	8,855	52.0	60.4	7.0	16.4	9.0
1990 ^b	20,411	7,803	49.6	60.3	7.7	18.1	8.9
1989 ^{a,b}	18,925	7,209	49.8	60.4	8.2	19.3	9.1

^aFull year analysis files were not developed for the years prior to 1989.

^bPrior to fiscal year 1993, food stamp cases from Guam and the Virgin Islands were excluded from the analysis files.

^cBeginning In 1995, disabled households are defined as households with at least one member under age 65 who received SSI, or at least one member age 18 to 61 who received Social Security, veterans benefits, or other government benefits as a result of a disability. For years prior to 1995, disabled households are defined as households with SSI but no members over age 59. The substantial increase in the percentage of households with a disabled member between 1994 and 1995 is due in part to the change in the definition of disabled households. Using the previous definition, 13.3 percent of households included a disabled person in fiscal year 1995.

Source: Food Stamp Quality Control samples.